Saskatchewan Liquor and Gaming Authority

2012-13
ANNUAL REPORT

Government of Saskatchewan

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Letters of Transmittal

Regina, Saskatchewan
July 2013

Her Honour, the Honourable Vaughn Solomon Schofield
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Report of the Saskatchewan Liquor and Gaming Authority (SLGA) for the fiscal year ending March 31, 2013. This report includes the financial statements in the form required by Treasury Board and in accordance with *The Alcohol and Gaming Regulation Act, 1997*. The financial statements show a record financial year with net income of $478.4 million.

Our Government is dedicated to increasing transparency and accountability by inviting the public to measure our progress against our commitments to the Saskatchewan people as outlined in SLGA's 2012-13 Plan.

Highlights of SLGA's accomplishments in 2012-13 include: the generation of $478.4 million in net income; enhancement of the public/private liquor retail model with plans for full-line private liquor stores in Saskatoon and Regina; the purchase of land at the Global Transportation Hub to accommodate an expanded liquor distribution facility; replacement of the aging video lottery terminal (VLT) infrastructure; completion of the Red Tape Committee Review that will result in more than 70 changes to Saskatchewan's liquor regulatory framework to support the business environment; continued application of Lean methodology to identify opportunities and increase efficiencies in SLGA's business processes; and continued support for programs and initiatives that promote the responsible use of liquor and gaming products.

Given the strong results SLGA has shown in 2012-13, I am confident that it will continue to be a positive contributor to the growth and prosperity of the province in the years ahead.

Donna Harpauer

Donna Harpauer
Minister Responsible for the Saskatchewan Liquor and Gaming Authority

Letters of Transmittal

Regina, Saskatchewan
July 2013

The Honourable Donna Harpauer
Minister Responsible for the Saskatchewan Liquor and Gaming Authority

Honourable Donna Harpauer:

I have the honour of submitting the Annual Report of the Saskatchewan Liquor and Gaming Authority (SLGA) for the fiscal year ending March 31, 2013.

On behalf of SLGA, I acknowledge responsibility for this report and am pleased to provide assurances on the accuracy, completeness and reliability of the information contained within it. I also acknowledge responsibility for the financial administration and management control of SLGA.

This annual report highlights SLGA's many achievements in 2012-13 and reflects another successful year for the organization.

Barry C. Lacey, CA, CMA
President & CEO
Saskatchewan Liquor and Gaming Authority

Introduction

This annual report for the Saskatchewan Liquor and Gaming Authority (SLGA) presents SLGA's activities and outcomes for the fiscal year ending March 31, 2013. It reports to the public and elected officials on public commitments made and other key accomplishments of SLGA.

Although a renewed vision in the *Saskatchewan Plan for Growth – Vision 2020 and Beyond* was introduced in October 2012, the 2012-13 Annual Report will be presented in relation to the vision and goals that guided the development of the 2012-13 Plan, *Government Direction for 2012-13: Keeping the Saskatchewan Advantage.*

Results are provided on publicly committed strategies, actions and performance measures identified in the 2012-13 Plan.

The annual report demonstrates SLGA's commitment to effective public performance reporting, transparency and accountability to the public.

Alignment with Government's Direction

SLGA's activities in 2012-13 support Government's vision and four goals.

Our Government's Vision

A strong and growing Saskatchewan, the best place in Canada – to live, to work, to start a business, to get an education, to raise a family and to build a life.

Government's Goals

- Sustaining growth and opportunities for Saskatchewan people.
- Improving our quality of life.
- Making life affordable.
- Delivering responsive and responsible government.

Together, all ministries and agencies support the achievement of Government's four goals and work towards a growing and prosperous Saskatchewan.

In 2012-13, SLGA supported Government's goals through initiatives in the following key areas:

- Advancing strategies in support of long-term economic growth in the liquor and gaming sectors;
- Modernizing the regulatory framework to reduce red tape and improve competitiveness in the business environment;
- Supporting initiatives for the socially responsible sale and distribution of liquor and gaming products; and,
- Continuing to develop a corporate culture that is focused on continuous improvement in internal operational efficiency, productivity and customer service.

In addition, SLGA's $478.4 million in net income for 2012-13 will help fund Government initiatives in priority areas such as health, education and infrastructure.

Overview

SLGA's Mission Statement

Serving Saskatchewan people with excellence while promoting economic growth through the socially responsible distribution, management, operation and regulation of liquor and gaming products.

The Saskatchewan Liquor and Gaming Authority (SLGA) is a Treasury Board Crown Corporation responsible for the distribution, regulation, management and operation of liquor and gaming across the province. SLGA achieves its mandate through socially responsible, fair and cost-effective services at offices in Regina and Saskatoon, a liquor distribution centre in Regina and a network of 79 liquor stores in 64 communities throughout the province. In 2012-13, SLGA continued its partnership with one private wine store, 185 small businesses in rural Saskatchewan (rural franchises) that sell beverage alcohol on its behalf in communities not supported by a SLGA liquor store and approximately 445 off-sale outlets. In addition, SLGA regulates all liquor-permitted premises (e.g., restaurants, taverns, non-profit clubs) in the province.

SLGA also fulfills a number of distinct roles in the provincial gaming sector. First, SLGA directly manages the majority of the province's electronic gaming machines, including the province's network of video lottery terminals (VLTs) and the slot machines at First Nations casinos. Second, SLGA plays an important role in regulating the Province's eight casinos: six First Nations casinos operated by the Saskatchewan Indian Gaming Authority (SIGA) and two casinos operated by SaskGaming. Third, SLGA licenses and regulates most other forms of gaming including bingo, raffles, breakopen tickets, Texas Hold'em poker and Monte Carlo events as well as the provincial horse racing industry.

As of March 31, 2013, SLGA employed approximately 996 staff throughout the province, the majority of which work part-time in SLGA stores.

SLGA operates under *The Alcohol and Gaming Regulation Act, 1997* and works in partnership with a broad range of stakeholders and clients, including: the Federation of Saskatchewan Indian Nations (FSIN); SIGA; Indigenous Gaming Regulators (IGR); Western Canada Lottery Corporation (WCLC); responsible use research organizations and interest groups; liquor manufacturers and suppliers; liquor permittees; Regina's private wine store and rural franchises; not-for-profit organizations; as well as the corresponding representative associations (see Appendix B for an overview of SLGA's partners and stakeholders).

In 2012-13, SLGA realigned its organizational structure to allow for a more coordinated approach to customer service, stakeholder partnerships and performance management.

SLGA has six divisions:

- The Liquor Store Operations Division manages and oversees SLGA's 79 liquor stores in 64 communities across Saskatchewan.
- The Partnerships and Supply Management Division is responsible for customer service excellence across the organization and manages SLGA's partnerships with liquor and gaming stakeholders. The division is responsible for liquor pricing and procurement processes, product listings, merchandising, special orders and the distribution warehouse. In addition, the division has oversight of SIGA operations and manages the province's VLT program.
- The Regulatory Compliance Division is responsible for the licensing, inspection and monitoring of liquor and most gaming activities in the province. The Division manages the charitable gaming grant program, is responsible for horse racing and provides community information and education seminars.
- The Corporate Services Division is responsible for policy and legislation, privacy/Freedom of Information, social responsibility, information technology, internal audit services, procurement and property management.
- The Performance Management Division is responsible for financial services, strategic corporate planning and reporting, performance management, risk management, enterprise project management, program review and continuous improvement.
- The Human Resources Division provides strategic human resource direction and is responsible for human resource planning, recruitment, labour relations, total compensation, training, organizational development and employee health and safety.

Progress in 2012-13

Government Goal: Growth

STRATEGY - SUPPORT ECONOMIC GROWTH IN LIQUOR AND GAMING INDUSTRIES AND ASSOCIATED SECTORS

Key Actions & Results

- To address increasing demand, improve efficiencies and enhance services, SLGA is proceeding with plans to relocate and expand its liquor distribution warehouse. In March 2013, SLGA purchased land at the Global Transportation Hub to accommodate construction of the new 145,000 square foot facility. Following a Request for Proposals (RFP) process, construction is expected to begin in the fall of 2013 with transition to the new warehouse expected in 2015.
- The replacement of the province's VLTs and the VLT central operating system progressed as planned. The VLT replacement began in January 2013 and was more than 85 per cent complete at fiscal year end. It is expected that the replacement of all machines will be complete in spring 2013.
- To address capacity issues and meet customer requirements, SLGA issued a RFP for the establishment of full-line private liquor stores. The new stores will be located in under-served neighbourhoods in Regina and Saskatoon to complement existing SLGA stores. In addition, a new wholesale customer delivery model has been developed which will redirect large wholesale purchases from SLGA stores. This model will be made possible through the planned transition to an expanded warehouse facility.
- SLGA continued to support the charitable gaming industry through $6.8 million in charitable gaming grants to charities across the province in 2012-13. The grant program issues grant payments equal to 25 per cent of the net revenue generated through licensed charitable gaming activities up to a maximum of $100,000 per year per organization.

Performance Measure & Results

Liquor Sales

The dollar value of liquor sales has seen continued growth over the past five years. This growth has been driven by a combination of volume and price increases and a shift in consumer preferences towards specialty and higher priced products. Saskatchewan's strong economy with low unemployment rates, a growing population and strong income levels have all contributed to the growth in this sector. In 2012-13, liquor sales totaled $592.3 million with an upward sales trend across all beverage alcohol categories particularly wine and refreshment beverages.

	2008-09	2009-10	2010-11	2011-12	2012-13
Liquor Sales	$506.5 M	$541.1 M	$550.5 M	$571.8 M	$592.3 M

Source: SLGA

VLT Revenue and Site Commission

The number of VLTs in the province is capped at 4,000. SLGA owns the VLT machines and contracts with the Western Canada Lottery Corporation (WCLC) to operate and maintain the VLTs. Gross VLT revenue reflects the amount of VLT activity prior to payment of operating expenses and 15 per cent VLT site commissions paid to liquor-permitted establishments that host VLTs.

In 2012-13, the declining trend in gross VLT revenue and site commissions continued due to extreme weather conditions and aging VLTs. The replacement of the VLT infrastructure is expected to reverse this trend beginning in 2013-14.

	2008-09	2009-10	2010-11	2011-12	2012-13
Gross VLT Revenue	$241.0 M	$225.8 M	$223.3 M	$226.4 M	$223.2 M
VLT Site Commission	$36.6 M	$34.3 M	$33.9 M	$34.4 M	$33.9 M

Source: SLGA

Government Goal: Responsive and Responsible Government

STRATEGY - MODERNIZE SLGA'S POLICY FRAMEWORK TO ALLOW FOR GREATER FLEXIBILITY AND ENCOURAGE INCREASED INVOLVEMENT BY STAKEHOLDERS IN THE ECONOMY

Key Actions & Results

- SLGA continued to review and amend its regulatory framework to support business interests while maintaining a balance with social responsibility and community safety.
  - SLGA developed draft Terms and Conditions and policy amendments that will allow charitable raffle licensees to sell their tickets via the internet within Saskatchewan and allow bingo halls to introduce electronic bingo minders. Changes will take effect in 2013-14.
  - Amendments to *The Gaming Regulations, 2007* have streamlined processes and reduced regulatory requirements. In addition to allowing more than one type of charitable gaming activity to be included under a single licence, gaming employee registrations are no longer required for small bingo operations, licence fees for certain charitable gaming events with small prize pools were eliminated and supplier registration fees were better aligned across different gaming activities.
  - Amendments to *The Alcohol Control Regulations, 2002* allowed SLGA to establish a three year liquor permit for most categories of commercial liquor permittees and removed restrictions that prevented liquor permittees from serving pre-mixed drinks.
  - Finalized in October 2012, the microbrewery and micro distillery policies provide small beverage alcohol manufacturers with increased opportunities for business development and expansion, flexibility in marketing and direct delivery of products.
- On November 20, 2012, the Government announced more than 70 changes to Saskatchewan's liquor regulatory framework as a result of the 2012 Red Tape Committee Review. Some of the changes require legislative and regulatory amendments while others will occur through SLGA policy changes. The regulatory changes, expected to occur during the first half of fiscal 2013-14, focused on four key areas: new business opportunities; increased flexibility for business; reduction in regulatory requirements; and, simplified procedures.

Performance Measure & Results

Total Gross Franchise and Commercial Permittee Beverage Alcohol Purchases

The following table illustrates the beverage alcohol purchases made by SLGA's partners, reflecting the extent to which the Saskatchewan market is served by a combined public/private distribution model. Franchises and commercial permittees generate additional revenue and economic activity through the resale of beverage alcohol in support of other core business areas such as accommodation, food services and retail sales.

Saskatchewan's strong economy and its impact on these business sectors are evident in the following figures. Franchise purchases have continually increased since 2008-09. While commercial permittee sales were negatively impacted in 2010-11 by the cold and wet summer weather, purchases rebounded in 2011-12 and have continued to increase. Overall growth since 2008-09 has also been supported by a combination of industry price increases and 'trading up' by the consumer to higher-priced products.

Fiscal Year	Franchise Purchases	Commercial Permittee Purchases
2012-13	$57.1 M	$226.5 M
2011-12	$54.8 M	$220.1 M
2010-11	$51.3 M	$210.3 M
2009-10	$50.2 M	$215.4 M
2008-09	$45.0 M	$210.7 M

Beginning in 2009-10, franchise purchases include private wine store purchases.

Source: SLGA

STRATEGY - STRENGTHEN THE SOCIALLY RESPONSIBLE SALE AND DISTRIBUTION OF LIQUOR AND GAMING PRODUCTS IN AN EFFORT TO REDUCE THE ADVERSE CONSEQUENCES OF THESE ACTIVITIES

Key Actions & Results

- SLGA continued to participate on the Interprovincial Lottery Corporation Responsible Gaming Sub-Committee. A three-minute responsible gambling slot machine video tutorial was completed and the related VLT customization is underway. In addition, the report on voluntary self-exclusion from casinos is in progress and a common core curriculum for the provision of responsible gambling training for operators' staff is under development.

- The Saskatchewan Partnership for Responsible Gambling (SPRG) met on a regular basis throughout 2012-13 and continued to collaborate and share best practices for the delivery of goods and services related to responsible gambling.

- SLGA and representatives from the Saskatchewan Hotel and Hospitality Association (SHHA) and the Canadian Restaurant and Foodservices Association (CRFA) continued to work together to develop and distribute responsible liquor and gaming awareness materials to liquor-permitted establishments. In 2012-13, items made available for distribution included coasters with responsible gambling messaging, social host brochures and *Check 25* material.

- Building on SLGA's partnership with Saskatchewan Government Insurance (SGI) and other organizations, SLGA continued to deliver programs to promote awareness and prevention of drinking and driving:

  - SLGA and SGI partnered with Mothers Against Drunk Driving (MADD) to sponsor the development of MADD's annual video presentation for delivery to a total of 35 high schools throughout Saskatchewan. The 2012-13 video, *Long Weekend*, challenged students to examine their beliefs and choices around mixing alcohol with driving and understand the tragedy that can occur when driving under the influence.

  - SLGA participated in a pilot project with MADD that placed automated teller machines (ATMs) in two Regina liquor stores. The ATMs create awareness and generate revenue for MADD to fund local MADD and Students Against Drinking and Driving (SADD) activities.

  - SLGA, SGI, MADD, SADD and Saskatchewan law enforcement agencies continued to support the *Report Impaired Drivers* (RID) program. The RID program encourages people to call 911 if they suspect an impaired driver.

- An online responsible gaming training program for VLT site contractors and staff was implemented to replace the live training that was being done on a quarterly basis. An owner or manager from all sites is required to complete the online training program. As of March 31, 2013, 61 individuals, representing 47 sites, have completed the mandatory training.

- The cost of the online expansion of the door person component of the *Serve It Right Saskatchewan* program was determined to be disproportionate to the number of people taking the training. These funds were redirected to the development of a responsible alcohol service training program for special occasion permittees who are serving and selling alcohol at large scale events. Options for the delivery of this training are being reviewed.

- In consultation with Saskatchewan's Ministry of Health, SLGA designed a brochure that provides tips for hosting functions to help minimize potential harms to guests that can be caused by the consumption of alcohol. It outlines host responsibilities, things to consider when planning a function and dispels some common alcohol myths. More than 20,000 brochures were distributed through SLGA stores and franchises as well as through Saskatchewan's Regional Health Authorities. The brochure is also available online.

- SLGA reviewed and evaluated responsible use features for use on new VLTs. Features made available on the new VLTs include time limits per session, enhanced responsible use messaging and the elimination of the "stop button" feature to remove the illusion that players have control over the outcome of the VLT. SLGA also reviewed responsible use features that provide additional play information and management tools that could assist VLT players to make informed choices.

- SLGA provided financial support for the *Don't Be That Guy* campaign in Regina to raise awareness about alcohol-related sexual assault.

Performance Measure & Results

Regulatory Compliance Measures

SLGA's regulatory framework supports the socially responsible sale and distribution of liquor and gaming products and services. In 2012-13, SLGA issued 1,828 commercial liquor permits, 15,613 special occasion permits and 3,709 charitable gaming licences.

SLGA administers and enforces the laws and regulations pertaining to the province's liquor and gaming sectors. SLGA registers all gaming employees in the province, as well as industry suppliers. In 2012-13, SLGA registered 3,383 gaming employees and 98 suppliers.

SLGA works in collaboration with law enforcement authorities and other regulatory agencies to ensure greater effectiveness and efficiency in monitoring both liquor and gaming activities throughout the province. SLGA also conducts comprehensive site inspections and investigates complaints. In 2012-13, SLGA imposed 325 sanctions including 91 liquor-related sanctions, 174 charitable gaming-related sanctions and 60 horse racing sanctions. Sanctions include warnings, suspensions and fines depending upon the violation and past compliance history.

All of these functions are designed to ensure the integrity of the liquor and gaming sectors in the province within a legal framework that is both fair and responsible.

STRATEGY - SUPPORT AND STRENGTHEN THE COLLABORATIVE PARTNERSHIP BETWEEN SLGA AND FIRST NATIONS

Key Actions & Results

- SLGA worked collaboratively with SIGA to fulfill commitments under the Casino Operating Agreement. A new central operating system was installed in four of six SIGA casinos with the remaining two casinos being converted in 2013-14. Amendments were made to the Casino Operating Agreement to enable SIGA to offer dice games in their casinos.
- SLGA consulted the Indigenous Gaming Regulators (IGR) on the draft Terms and Conditions that allow charitable raffle licensees to sell their tickets via the internet within Saskatchewan and allow bingo halls to introduce electronic bingo minders. Upon approval and implementation, IGR may adopt the revised Terms and Conditions for on-reserve charities.
- The Federation of Saskatchewan Indian Nations (FSIN) and SLGA engaged in the second five-year review of the Gaming Framework Agreement (GFA). Following six months of meetings, the GFA review concluded in July 2012. Although the parties engaged in meaningful discussions, the review process did not result in changes to the GFA and it will continue in its current form.

Performance Measure & Results

SIGA Net Income

As required by section 207 of the *Criminal Code of Canada*, SLGA owns the slot machines located in SIGA casinos. The net income generated by SIGA is distributed according to the revenue sharing formula in the 2002 GFA between the Province and the FSIN.

The General Revenue Fund retains 25 per cent of SIGA's net profits (after defined payments) in support of broader provincial objectives. The remaining 75 per cent is distributed back to First Nations communities via the First Nations Trust (FNT) and Community Development Corporations (CDCs). The FNT supports economic and social development, justice, health, education, culture and other First Nations initiatives. The CDCs fund similar initiatives among First Nations and non-First Nations organizations in and around the communities where the casinos are located.

Under the GFA, payments are made from SIGA profits to: IGR ($3.2 million in 2012-13) to support its work in regulating charitable gaming on-reserve; the First Nations Addictions Rehabilitation Foundation ($2.25 million) for problem gambling services; and, to the FSIN ($250,000) to support its efforts to prepare proposals for the federal government regarding on-reserve gaming jurisdiction and for other gaming initiatives ($250,000) including administration of the GFA on behalf of First Nations.

After deducting operating expenses, net income for SIGA grew to $86.8 million in 2012-13, primarily due to a decline in expenses.

	2008-09	2009-10	2010-11	2011-12	2012-13
SIGA Net Income	$59.9 M	$65.1 M	$64.4 M	$79.2 M	$86.8 M

Profit sharing is based on net income prior to the accounting adjustment made for an interest rate swap (profit sharing is based on $86.5 million in 2012-13).

Source: SLGA

STRATEGY - ENSURE CONTINUOUS IMPROVEMENT IN INTERNAL OPERATIONAL EFFICIENCY AND PRODUCTIVITY

Key Actions & Results

- SLGA continued to build on its foundational work to develop a corporate culture focused on continuous improvement. In 2012-13, SLGA completed seven Lean initiatives including store management and operations, rural franchise management, liquor pricing and employee learning and development support programs. The Lean events helped streamline processes, standardize information and reduce turnaround times. In addition, SLGA launched the *Think Innovate* program which encourages employees to share their ideas on how to improve business processes and customer service.
- SLGA continued to redesign its information technology infrastructure to streamline services across core business processes and to ensure that SLGA is well positioned to meet business needs from a technological perspective.
  - SLGA selected a vendor for the replacement of the Warehouse Management/Supply Chain system and work progressed on the design and implementation of the software solution. The system will support the new wholesale customer delivery model, improve efficiencies in several processes and provide for flexibility in an evolving retail market. Implementation of the new system is expected to begin in 2013-14.
  - SLGA selected a vendor for the replacement of the Regulatory Compliance application system. The project's development phase began in 2012 and a high-level functional design of the system was completed. The new application system is expected to launch in 2013-14.
  - The PeopleSoft Human Resource/Payroll Upgrade project was successfully launched in fall 2012. The upgraded system improves access to human resource and payroll information and improves efficiencies in processes.
  - SLGA's Sharepoint and integrated web strategy project launched a new intranet platform in the latter half of 2012-13. The re-designed external website is expected to launch late in fiscal 2013-14 as work progresses on the development of site content and plans for integration with new business systems that will enhance online services.
- Discussions occurred between SLGA, SaskGaming, Government Relations (Ministry now responsible for First Nations and Métis Relations) and Parks, Culture and Sport (formerly Tourism, Parks, Culture and Sport) on the gaming governance review regarding the potential consolidation and streamlining of gaming governance in Saskatchewan. No further work is being pursued at this time.

Performance Measure & Results

Store Operating Costs as a Per Cent of Store Sales

This measure demonstrates SLGA's efforts to maximize liquor store revenues using the least amount of operational resources (e.g., labour, capital and equipment). After a three year increase, this indicator decreased in 2012-13 due to a reduction in expenses from pension liability adjustments of $3.0 million. SLGA continues to improve on the efficiency of store operations with controllable store costs continuing to grow at a lesser rate than the increase in liquor sales.

	2008-09	2009-10	2010-11	2011-12	2012-13
Store Operating Costs as % of Store Sales	10.6%*	11.1%	11.7%*	11.9%*	11.0%*

** Liquor Board Superannuation Plan adjustments resulted in a decline in store labour costs of $3.4 million in 2008-09, an increase of $3.9 million in 2010-11 and a further increase of $1.5 million in 2011-12 . Strong asset performance allowed for a $3.0 million decrease in pension costs in 2012-13.*

Source: SLGA

Warehouse Activity

SLGA's distribution centre processed 20,543 orders in 2012-13 which corresponds to approximately 2.3 million cases of beverage alcohol shipped from the warehouse to stores and franchises. This is up from 19,497 orders and 2.0 million cases in 2011-12.

Licensing, Regulating and Support Expenses as a Per Cent of Revenue

This efficiency measure depicts the overall cost of generating revenue. The measure reflects SLGA's efforts to optimize revenue while making the expenditures to meet its operational and regulatory roles.

For the year ending March 31, 2013, SLGA's licensing, regulating and support expenses as a percentage of revenue remained relatively constant at 3.3 per cent. Although there was an increase in 2012-13 attributed to costs associated with system replacement, it was partially mitigated by a decrease in pension costs of $0.5 million.

	2008-09	2009-10	2010-11	2011-12	2012-13
Licensing, Regulation & Support Expenses* as % of Revenue	3.1%**	3.5%	3.3%**	3.2%**	3.3%**

**Grant expenses are not linked to the overall cost of generating revenue in the licensing and support function of SLGA and as such are not included in this measure.*

***Liquor Board Superannuation Plan adjustments resulted in a decline in head office labour costs of $1.1 million in 2008-09, an increase of $1.3 million in 2010-11 and a further increase of $0.5 million in 2011-12. Strong asset performance allowed for a $0.5 million decrease in pension costs in 2012-13.*

Source: SLGA

VLT Net Income as a Per Cent of VLT Revenue

In 2012-13, VLT activity generated 80.0 cents in net income to SLGA for each dollar of VLT revenue. SLGA's VLT inventory became fully amortized in 2008-09, significantly reducing annual expenses. The VLT replacement program will result in an increase in operating costs in 2013-14 that is expected to decrease the operating ratio to approximately 75 cents per dollar of VLT revenue, similar to levels prior to 2008-09.

	2008-09	2009-10	2010-11	2011-12	2012-13
VLT Net Income as % of VLT Revenue	81.2%	81.1%	80.8%	81.0%	80.0%

Source: SLGA

SIGA Net Income as a Per Cent of SIGA Net Revenue

This measure indicates that SIGA earned almost 33 cents on each dollar of revenue it generated. The lower ratio in 2008-09 through 2010-11 reflected the increase in expenditures associated with the opening of Dakota Dunes, Living Sky and Painted Hand casinos. The increase in 2012-13 reflects an increase in both SIGA gaming revenue and net income.

	2008-09	2009-10	2010-11	2011-12	2012-13
SIGA Net Income as a % of SIGA Gross Revenue	26.0%	26.7%	25.8%	29.7%	32.6%

Source: SLGA

Marginal Return on Expenses (MRE)

The MRE is intended to measure SLGA's overall return on investment for the expenditures it makes. The MRE expresses a ratio between the change in net income compared to the change in total expenses where any outcome greater than zero is a positive outcome.

While net income grew by $14.9 million in 2012-13, total expenses actually declined due to a decrease in SIGA expenses and a year-end adjustment to SLGA's pension expense of $3.5 million (reduction in the Liquor Board Superannuation Plan expense). The overall positive performance of the MRE demonstrates SLGA's commitment to fiscal responsibility.

	2008-09	2009-10	2010-11	2011-12	2012-13
MRE	2.23	(0.11)	1.39	20.79	4.97

Source: SLGA

STRATEGY - PROVIDE RESPONSIVE AND HIGH QUALITY SERVICES TO CUSTOMERS AND STAKEHOLDERS

Key Actions & Results

- SLGA continued to ensure that Saskatchewan's blended model of alcohol distribution meets the demands and expectations of customers.
  - To improve customer service in Regina and Saskatoon's growing suburban areas, SLGA issued a RFP in December 2012 for the establishment of full-line private liquor stores. The new stores will complement existing SLGA stores, alleviating capacity pressures in the current retail liquor store network. The additional stores will provide enhanced customer service in the retail store network, increased product selection and added convenience.
  - As part of the liquor regulatory review, in 2012-13, SLGA announced changes to off-sale eligibility that will allow restaurants and all taverns to qualify for full off-sale endorsements. The number of off-sale outlets will be limited, based on population, in all communities. Additionally, to ensure resort communities are adequately served, off-sales and franchises will be made available in resort communities based on the estimated seasonal population of the community. These changes are expected to occur in 2013-14.

- SLGA realigned its organizational structure to allow for a more coordinated approach to customer service and stakeholder partnerships. Resources have been reallocated to allow for a leadership role that will be responsible for development and implementation of SLGA's customer service strategy.

Performance Measure & Results

Customer Satisfaction

Customer satisfaction is an important indicator of the quality of SLGA's programs and services and how they are perceived by the public. It is an important outcome for SLGA as a customer-oriented retail business. Historically, SLGA has conducted a retail store customer satisfaction survey every couple of years. The 2012-13 survey was deferred to 2013-14 pending the development of SLGA's customer service strategy.

In 2010-11, due to declining response rates via telephone surveys, SLGA conducted both online and telephone surveying in tandem to facilitate transition to an online survey model. The most recent telephone survey results indicate a high level of customer satisfaction with retail liquor store service and improvement relative to the previous survey in 2007-08. Online surveying usually produces lower customer satisfaction results. The 2010-11 online survey results will be used as a benchmark for the customer satisfaction survey planned for 2013-14.

Customer Satisfaction Survey	2002-03 (phone)	2004-05 (phone)	2007-08 (phone)	2010-11 (phone)	2010-11 (online)
Satisfied with Customer Service	92%	91%	88%	92%	83%
Customer Service Meets or Exceeds Expectations	97%	96%	95%	97%	95%

Note: 2002-03 through 2007-08 survey results are considered accurate to within plus or minus 2.5 per cent at a 95 per cent confidence level. The 2010-11 phone survey results are considered accurate to within plus or minus 3.7 per cent. Online survey results were derived by a new sampling methodology (non-probability proportional sampling technique); therefore, the standard margin of error calculation is not applicable for the online study.

Source: SLGA

Representative Workforce

Having a workforce that is representative of the population it serves is a key element to excelling in customer service. SLGA reviews its representative workforce strategy on an ongoing basis and has set the Saskatchewan Human Rights Commission's (SHRC) equity group employment targets as a long-term goal. The following table depicts the 2012-13 employment status of the four equity groups within SLGA. Relative to 2011-12, Aboriginal representation increased by almost one per cent, representation of persons with disabilities increased to 4.4 per cent. With a slight increase to 3.9 per cent, SLGA exceeded SHRC's provincial target for representation of visible minorities.

SLGA now breaks down its reporting of women representation by occupational groups. While overall women meet SHRC's workforce representation target, women are underrepresented in senior management and in the liquor distribution occupational group. Year-end results show that SLGA will continue to work toward the SHRC employment goals over the long term.

Equity Group*	2008-09	2009-10	2010-11	2011-12	2012-13
Aboriginal People	4.3%	6.3%	6.9%	6.1%	7.0%
Women (Overall)	61.4%	62.7%	62.1%	62.6%	65.0%
Persons with Disabilities	1.9%	3.6%	3.6%	4.2%	4.4%
Visible Minority Persons	2.4%	2.8%	3.2%	3.4%	3.9%

** SHRC 2012 targets are 47 per cent of employees at all levels are female; 13.1 per cent are Aboriginal people; 9.7 per cent are persons with disabilities; and, 3.8 per cent are visible minorities.*

Source: SLGA

2012-13 Financial Overview

The primary indicator of SLGA's financial success is SLGA's overall net income. SLGA's net income reflects the total net revenue generated by the province's liquor industry and the majority of the commercial gaming industry minus operating expenses, including associated regulatory and compliance costs.

Net income for 2012-13 was $38.5 million above SLGA's budget projection of $439.9 million. Net income exceeded budget by $21.0 million from liquor operations, $18.9 million from SIGA and $0.4 million from other gaming. These increases were partially offset by a $1.8 million shortfall in VLT net income from budget expectations.

SLGA Net Income

Historically, SLGA has demonstrated a steady increase in net income. This is a critical outcome as SLGA's net income is essential to providing sustainable funding in support of Government programs and services.

SLGA net income for 2012-13 was $478.4 million, an increase of $14.9 million relative to 2011-12. The net impact was driven by a $13.6 million increase in net income from liquor operations and a $7.6 million increase in SIGA net income. This was partially offset by a $5.1 million decrease in VLT net income and a $1.2 million decrease in other gaming net income.

	2008-09	2009-10	2010-11	2011-12	2012-13
SLGA Net Income	$435.0 M	$433.1 M	$442.5 M	$463.5 M	$478.4 M

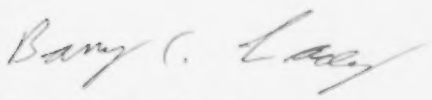
Source: SLGA

Management's Report

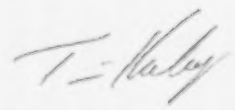
The accompanying financial statements, and related financial information throughout the Annual Report, have been prepared by management using International Financial Reporting Standards. Management is responsible for the integrity, objectivity and reliability of the financial statements.

SLGA's management has established and maintains a system of internal controls that provides reasonable assurance that transactions are recorded and executed in compliance with legislation and authority; assets are safeguarded; there is an effective segregation of duties and responsibilities; and, reliable financial records are maintained. An auditing function exists within SLGA, which objectively assesses the effectiveness of internal controls.

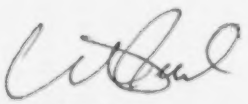
The Provincial Auditor has examined SLGA's financial statements. The Auditor's Report to the Members of the Legislative Assembly of Saskatchewan expresses an independent opinion on the fairness of presentation of SLGA's financial statements in accordance with International Financial Reporting Standards.



Barry C. Lacey, CA, CMA
President & CEO



Tim Kealey
Vice-President & CFO



Regina, Saskatchewan
June 10, 2013

Kent Paul, CA
Director, Financial Services

PROVINCIAL AUDITOR
of Saskatchewan

Independent Auditor's Report

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Saskatchewan Liquor and Gaming Authority, which comprise the statement of financial position as at March 31, 2013, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

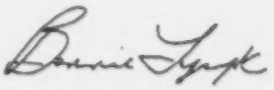
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Saskatchewan Liquor and Gaming Authority as at March 31, 2013, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



Regina, Saskatchewan
June 10, 2013

Bonnie Lysyk, MBA, CA
Provincial Auditor

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY
STATEMENT OF FINANCIAL POSITION
As at March 31

	Notes	2013 (000's)	2012 (000's)
Current assets:			
Cash		$ 1,890	$ 1,897
Due from General Revenue Fund	4	122,039	41,176
Trade and other receivables	9	61,096	62,515
Prepaid expenses		645	828
Inventory	3(d) & 6	27,434	27,184
Total current assets		213,104	133,600
Non-current assets:			
Property, plant and equipment	7 & 10	111,570	29,307
Intangible assets	8	14,981	4,954
Total non-current assets		126,551	34,261
Total Assets		$ 339,655	$ 167,861
Current Liabilities:			
Trade and other payables		67,914	23,856
Payable to the General Revenue Fund	5	95,809	95,813
Goods and Services Tax payable	10	1,883	1,735
Short-term Debt	24	125,064	---
Provisions	19	2,133	1,075
Total current liabilities		292,803	122,479
Non-current liabilities			
Long-term Provisions	19	---	1,690
Post employment benefits	11	54,171	51,329
Total non-current liabilities		54,171	53,019
Total liabilities		346,974	175,498
Equity			
Retained earnings (deficit) (Statement 3)		(7,319)	(7,637)
Total Equity		(7,319)	(7,637)
Total Liabilities & Equity		$ 339,655	$ 167,861

Commitments (Note 13)
Contingencies (Note 18)

(See the accompanying notes to the financial statements)

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY
STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended March 31

	Notes	2013 Budget (Note 15) (000's)	2013 Actual (000's)	2012 Actual (000's)
OPERATING				
Revenues:				
Liquor sales	3(a) & 14	$ 552,877	$ 592,330	$ 571,844
VLT	3(a)	239,164	223,186	226,425
Slot machines	3(a), 3(b) & 12	237,022	241,514	238,474
Licence, permit, and other income	3(a)	3,125	3,409	3,389
		1,032,188	1,060,439	1,040,132
Cost of sales:				
Cost of liquor	6	272,625	291,192	282,428
VLT site commissions	3(c)	35,875	33,854	34,354
		308,500	325,046	316,782
Gross profit on sales		723,688	735,393	723,350
Expenses (Schedule 1 & 2):				
VLT, liquor and other gaming		114,667	102,240	100,658
Slot machines expense		147,372	136,189	140,468
Other	12	21,750	18,869	16,365
Total expenses		283,789	257,298	257,491
Operating Income		439,899	478,095	465,859
FINANCING				
Gains (losses) on disposals of non-current assets		---	(5)	132
Financing Income		---	(5)	132
Net Income		439,899	478,090	465,991
Unrealized gain (loss) in interest rate swaps	12	---	318	(2,489)
Total Comprehensive Income		$ 439,899	$ 478,408	$ 463,502

(See the accompanying notes to the financial statements)

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY
STATEMENT OF CHANGES IN EQUITY
For the Year Ended March 31

		Total
		(000's)
Equity		
Balance April 1, 2011	$	(5,222)
Total Comprehensive Income		463,502
Dividends		(465,917)
Balance March 31, 2012 (to statement 1)	$	(7,637)
Total Comprehensive Income		478,408
Dividends		(478,090)
Balance March 31, 2013 (to statement 1)	$	(7,319)

(See the accompanying notes to the financial statements)

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2013 (000's)	2012 (000's)
BUSINESS		
Operating		
Receipts from customers	$ 1,093,901	$ 1,056,862
Interest received	128	204
Payments made to suppliers and other	(471,892)	(495,043)
Payments made to employees	(55,304)	(58,172)
Payments made to grant recipients	(10,379)	(9,611)
Payment of Goods and Services Tax	(19,158)	(19,396)
Net cash provided by (used in) operating activities	537,296	474,844
Investing		
Purchase of property, plant and equipment	(92,005)	(6,441)
Purchase of intangible assets	(11,336)	(1,860)
Disposition of property, plant and equipment	(5)	132
Net cash provided by (used in) investing activities	(103,346)	(8,169)
Net cash provided by BUSINESS activities	433,950	466,675
FINANCING		
Financing from General Revenue Fund	125,000	---
Cash Deposited in General Revenue Fund	(478,094)	(468,407)
Net cash provided (used in) FINANCING activities	(353,094)	(468,407)
Net increase (decrease) in cash position	80,856	(1,732)
Cash position, beginning of year	43,073	44,805
Cash position, end of year	$ 123,929	$ 43,073
Cash position consists of:		
Cash	$ 1,890	$ 1,897
Due from General Revenue Fund	122,039	41,176
	$ 123,929	$ 43,073

(See the accompanying notes to the financial statements)

1. Description of Business

The Saskatchewan Liquor and Gaming Authority (SLGA) is a corporation domiciled in Canada. The address of SLGA's registered office and principal place of business is 2500 Victoria Avenue, Regina, SK, S4P 3M3.

SLGA operates under *The Alcohol and Gaming Regulation Act, 1997*. SLGA's mandate is to support, develop and regulate the Saskatchewan liquor and gaming industries and to maximize public benefit through high quality services and products.

SLGA operates retail liquor stores and video lottery terminals. SLGA conducts and manages the breakopen vending machine program in the Province. It also owns and manages the slot machines at the Saskatchewan Indian Gaming Authority's (SIGA) casinos. Revenue from slot machines at SIGA's casinos and related expenses are included in these statements.

SLGA operates as a Treasury Board Crown Corporation under the direction of the Government of Saskatchewan. The financial results of SLGA are included in the summary financial statements of the Province of Saskatchewan.

2. Basis of Preparation

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). SLGA's board of directors approved these statements on June 6, 2013.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for financial instruments classified as fair value through profit and loss which are measured at fair value. Historical cost is generally based on fair value of the consideration given in exchange for assets or liabilities.

c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is SLGA's functional currency.

d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

- Useful lives of property, plant, and equipment (note 3(e) and note 7).
- Measurement of defined benefit obligations (note 11(ii))
- Provisions (note 19)
- Cash generating units (CGUs) for SLGA are SLGA retail operations and SLGA gaming operations.

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Revenue

Liquor Sales

Sales are recorded net of returns, container deposits, Goods and Services Tax, Liquor Consumption Tax and discounts.

Licence Fees

Liquor and gaming licence fees are recorded when the licence is approved. Exhibition casino licence fees are based on the net revenue generated by the exhibition casino. SLGA records these fees as the exhibition casino generates net revenue.

Video Lottery Terminals (VLT)

Revenue is recorded net of prize payouts.

Slot Machines

Revenues from casino slot machines are recorded net of prize payouts. Slot revenues are net of accruals for anticipated payouts of progressive jackpots and promotional allowances.

(b) Promotional Allowances

SIGA offers a customer loyalty program to its patrons. As part of the program, club members accumulate points based on amounts wagered and can redeem their points for cash or vouchers for free or discounted goods or services. The cash value of the points accumulated is recorded as a reduction of gaming revenue. A liability is accrued by SIGA for the estimated cost of the earned points balance at the end of the period under the loyalty program using a historical weighted average of expected point redemption. If the patron chooses to redeem their points for a voucher for free of discounted goods or services, the revenue is determined by the fair value of the undelivered goods and services related to a customer loyalty program and is deferred until the promotional consideration is provided under IFRIC 13.

(c) VLT Site Commission

Establishments where VLTs are located are entitled to a commission based on 15% of the VLT revenue earned. The commission is recorded as the VLT revenue is earned.

(d) Inventories

Inventories of wines, coolers, spirits, beer and gaming machine parts are valued at the lower of average cost and net realizable value.

Cost for liquor inventories is determined using the weighted average cost method. Cost for gaming machine parts is determined on a first-in, first-out basis. Inventory cost includes the costs of purchase plus other costs, such as excise duties and taxes and transportation that are directly incurred to bring inventories to their present location. Previous write-downs of inventories to net realizable values are reversed when inventory values increase.

(e) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item, that are significant in comparison to the whole, of property, plant, and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant, and equipment.

Property, plant and equipment are depreciated commencing in the year in which these assets are available for use on a straight-line basis at rates designed to allocate the cost of these assets over their estimated useful lives. Rates are as follows:

Buildings	5 – 40 years
Furniture & equipment	3 – 7 years
VLT and slot machines	5 years
Breakopen vending machines	3 – 7 years

Leasehold improvements are amortized over the lesser of the life of the asset or the term of the lease.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted as necessary.

Property, plant and equipment is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of property, plant and equipment, are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

(f) Intangible Assets

Intangible assets consist of software and are carried at cost less accumulated amortization and accumulated impairment losses. Depreciation is recognized on a straight-line basis over their estimated useful lives. The estimated useful lives and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Software	3 – 7 years

(g) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, the loss event has occurred after the initial recognition, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of SLGA's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(h) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to SLGA. All other leases are classified as operating leases.

As at March 31, 2013, SLGA does not have any finance leases.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

(i) Provisions

Provisions are recognized when SLGA has a present obligation (legal or constructive) as a result of a past event, it is probable that SLGA will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks, uncertainties and timing surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(j) Foreign Currency

Monetary assets and liabilities denominated in foreign currencies are translated at the year-end exchange rates. Revenues and expenses are translated at rates of exchange prevailing on the transaction dates. Translation gains and losses on foreign currency denominated monetary items are taken into income in the current year.

(k) Employee Benefits

(i) Defined benefit plan

A defined benefit plan is a post-employment plan other than a defined contribution plan. Total cost of the pension benefits earned by employees, who are members of SLGA's defined benefit plan (closed to new members since 1977), is determined using the projected unit credit method prorated on service. The amount of the expense reflects management's best estimate of the plan's expected investment performance, salary escalation, mortality of members, terminations, the ages at which members will retire and post retirement increases (based upon the Consumer Price Index) as required by *The Superannuation (Supplementary Provisions) Act.*

The discount rate used to determine the accrued benefit obligation is determined by reference to market interest rates at the measurement date on high-quality debt instruments with cash flows that match the timing and the amount of expected benefit payments. Pension plan assets are valued at fair value for the purposes of calculating the expected return on plan assets. The net actuarial gain (loss) and plan amendments are recognized in the year they arise.

(ii) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to the defined contribution pension plan are recognized as an employee benefit expense in the statement of comprehensive income when services are rendered by employees.

Employees hired after 1977 are members of a defined contribution pension plan. SLGA expenses contributions it is required to make for current service of those employees. SLGA's liability for these employees is limited to the required employer's contributions.

(iii) Other employee benefits

Long service gratuity is a benefit paid to employees over 50 upon retirement. The gratuity is calculated as one half of a day's pay for every year of employment with SLGA upon retirement. Changes in the provision for long service gratuity are included in comprehensive income.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(l) Grants

Grants are recognized when approved and eligibility criteria, if any, are met.

(m) Financial Instruments

(i) Non-derivative financial assets and liabilities

SLGA classifies its financial instruments into one of the following categories: fair value through profit or loss; loans and receivables; and other liabilities. All financial instruments are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below.

Cash and Due from General Revenue Fund are classified as fair value through profit or loss and are recorded at fair value. Cash denominated in foreign currency is translated at the foreign exchange rate in effect at year end.

Trade and other receivables are classified as loans and receivables. Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortized costs using the effective interest method, less any impairment losses.

SLGA has the following non-derivative financial liabilities which are classified as other liabilities: trade and other payables, payable to the General Revenue Fund, goods and services tax payable, and short-term debt. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method.

SLGA derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred. Any interest in transferred financial assets that is created or retained by SLGA is recognized as a separate asset or liability. SLGA derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, SLGA has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(ii) Derivatives

Pursuant to the Casino Operating Agreement (Note 12), SLGA authorized SIGA to enter into long-term debt arrangements. It also authorized SIGA to enter into interest rate swaps in order for SIGA to manage the interest rate exposure on its long-term debt. SLGA's exposure to the interest rate risk arising from this long-term debt, the interest rate swap arrangements, and SIGA's other financial instruments is disclosed in Note 21. Changes in the fair value of the interest rate swaps are recorded as an unrealized gain or loss in the year they occur.

(iii) Embedded derivatives

Derivatives may be embedded in other host instruments and are treated as separate derivatives when their economic characteristics and risks are not clearly and closely related to those of the host instrument, when the embedded derivative has the same terms as those of a stand-alone derivative, and the combined contract is not held-for-trading or designated at fair value. These embedded derivatives are measured at fair value with subsequent changes recognized in net income.

SLGA has not identified any material embedded derivatives in any of its financial instruments that are required to be separately valued.

(n) Finance income

Finance income comprises of gains/losses on sale of non-current assets.

(o) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or development of qualifying assets are added to the costs of that asset, until it is available for use. Qualifying assets are those assets that take a substantial period of time to get ready for their intended use. As SLGA borrows funds generally and uses them for the purpose of obtaining a qualifying asset, SLGA capitalizes borrowing costs by applying its weighted average cost of debt. All other borrowing costs are recognized in finance expenses in the period in which they are incurred.

(p) New standards and interpretations not yet adopted

Certain new standards, interpretations and amendments to existing standards were issued by the International Accounting Standards Board (IASB) or International Financial Reporting Interpretations Committee (IFRIC) that are mandatory for annual accounting periods beginning after January 1, 2013 or later periods. SLGA is assessing the impact of these pronouncements on its results and financial position. These include:

- IFRS 9 Financial Instruments – establishes principles for the financial reporting of financial assets.
- IFRS 13 – Fair value measurement
- IAS 19 – Employee benefits
- IAS 32 – Financial Instruments: Presentation

4. Due from General Revenue Fund

Most of SLGA's bank accounts are included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. During the year, the General Revenue Fund did not pay interest on SLGA's bank accounts.

5. Disposition of Retained Earnings

Subsection 182(5) of *The Alcohol and Gaming Regulation Act, 1997* (Act) allows SLGA to provide interest free advances to the Minister of Finance for deposits in the General Revenue Fund (GRF) until Treasury Board determines the disposition of SLGA's retained earnings. Under subsection 182(1) of the Act, Treasury Board may, at any time, direct that all or any portion of SLGA's retained earnings be transferred to the GRF. Treasury Board has directed SLGA to transfer $478,090 thousand (2012 - $465,917 thousand) to the GRF under subsection 182(1) of the Act. At March 31, amounts payable to GRF were determined as follows:

	2013 ($000's)	2012 ($000's)
Payable to GRF at beginning of year	$ (95,813)	$ (98,303)
Deposits during the year	478,094	468,407
Transfer to GRF	(478,090)	(465,917)
Payable to GRF at end of year	$ (95,809)	$ (95,813)

6. Inventories

	2013 ($000's)	2012 ($000's)
Wines, coolers and spirits in stores	$ 1,075	$ 3,380
Wines, coolers and spirits in warehouse	10,593	11,324
Beer in stores	11,243	8,717
Gaming machine parts	4,523	3,763
	$ 27,434	$ 27,184

The cost of liquor and gaming machine parts inventories recognized as an expense during the year ended March 31, 2013 was $291,192 thousand and $860 thousand respectively. During the year, SLGA had no write-downs of inventory below cost and no reversals of inventories previously written down. As of March 31, 2013 there was no amount of inventory pledged as security.

7. Property, Plant and Equipment

(000's)	Land	Buildings	Slot Machines	VLT	Furniture and Equipment	Breakopen Vending Machines	Leasehold Improvements	Total
Cost								
Balance, April 1, 2011	$ 2,292	$ 30,166	$ 55,395	$ 70,228	$ 18,154	$ 2,979	$ 8,428	$ 187,642
Additions	---	30	3,210	---	473	---	56	3,769
Disposals/retirements	---	---	(2,418)	(283)	(760)	---	---	(3,461)
Adjustments	50	---	418	12	2,133	---	59	2,672
Balance, March 31, 2012	$ 2,342	$ 30,196	$ 56,605	$ 69,957	$ 20,000	$ 2,979	$ 8,543	$ 190,622
Additions	2,375	39	3,035	77,303	8,464	---	10	91,226
Disposals/Retirements	(4)	---	(2,662)	(108)	(461)	---	(8)	(3,243)
Adjustments	---	133	171	---	---	---	475	779
Balance, March 31, 2013	$ 4,713	$ 30,368	$ 57,149	$ 147,152	$ 28,003	$ 2,979	$ 9,020	$ 279,384
Accumulated Depreciation								
Balance, April 1, 2011	$ ---	$ 18,742	$ 38,754	$ 69,900	$ 14,795	$ 2,976	$ 7,771	$ 152,938
Depreciation Expense	---	1,019	8,997	269	1,262	---	268	11,815
Disposals/retirements	---	---	(2,409)	(282)	(747)	---	-	(3,438)
Balance, March 31, 2012	$ ---	$ 19,761	$ 45,342	$ 69,887	$ 15,310	$ 2,976	$ 8,039	$ 161,315
Depreciation Expense	---	801	6,147	1,184	1,400	---	182	9,714
Disposals/retirements	---	---	(2,641)	(108)	(460)	---	(6)	(3,215)
Balance, March 31, 2013	$ ---	$ 20,562	$ 48,848	$ 70,963	$ 16,250	$ 2,976	$ 8,215	$ 167,814
Net Book Value								
Balance, March 31, 2012	$ 2,342	$ 10,435	$ 11,263	$ 70	$ 4,690	$ 3	$ 504	$ 29,307
Balance, March 31, 2013	$ 4,713	$ 9,806	$ 8,301	$ 76,189	$ 11,753	$ 3	$ 805	$ 111,570

8. Intangible Assets

(000's)	Software	Total
Cost		
Balance, April 1, 2011	$ 21,156	$ 21,156
Additions	438	438
Disposals/retirements	(2,188)	(2,188)
Adjustments	1,422	1,422
Balance, March 31, 2012	$ 20,828	$ 20,828
Additions	11,336	11,336
Disposals/retirements	(13,119)	(13,119)
Adjustments	---	---
Balance, March 31, 2013	$ 19,045	$ 19,045
Accumulated depreciation		
Balance, April 1, 2011	$ 16,363	$ 16,363
Depreciation Expense	1,670	1,670
Disposals/retirements	(2,159)	(2,159)
Balance, March 31, 2012	$ 15,874	$ 15,874
Depreciation Expense	1,309	1,309
Disposals/retirements	(13,119)	(13,119)
Balance, March 31, 2013	$ 4,064	$ 4,064
Net Book Value		
Balance, March 31, 2012	$ 4,954	$ 4,954
Balance, March 31, 2013	$ 14,981	$ 14,981

9. Trade and Other Receivables

	2013 (000's)	2012 (000's)
Slot machines receivable – SIGA	$ 50,761	$ 57,434
VLT receivable	8,648	3,769
Other	1,687	1,312
	$ 61,096	$ 62,515

10. Goods and Services Tax (GST)/Harmonized Sales Tax (HST)

SLGA is on the prescribed list of lottery corporations pursuant to Section 188 of the *Federal Excise Tax Act*. In lieu of collecting GST on VLT and slot revenue at the retail level, SLGA calculates and remits GST according to a formula prescribed by the Canada Revenue Agency.

The formula required SLGA to pay 10% on the purchase of taxable goods and services related to gaming programs but only 5% on VLT site contractor commissions.

The GST paid on property, plant and equipment for gaming is set up as part of the cost of the asset and is amortized on a straight-line basis over the useful life of the property, plant and equipment.

SLGA also pays GST/HST to the Canada Revenue Agency and claims input tax credits on all its liquor and other taxable purchases.

11. Post Employment Benefits

SLGA sponsors a defined benefit pension plan and participates in a defined contribution pension plan covering substantially all of its employees.

(i) Defined contribution plan

The defined contribution plan is called the Public Employees Pension Plan (PEPP). SLGA is required to contribute a specified percentage of payroll costs to PEPP to fund the benefits. The only obligation of SLGA with respect to PEPP is to make the specified contributions. During the year, SLGA paid PEPP and expensed its required contributions of $2,962 thousand (2012 - $2,824 thousand).

(ii) Defined benefit plan

The Liquor Board Superannuation Commission administers the defined benefit plan, Liquor Board Superannuation Plan (Plan), for SLGA. The Plan provides pensions calculated at 2% of a member's average salary for the five years of highest salary, multiplied by the number of years of service to a maximum of 35. This Plan has been closed to new members since 1977.

AON Hewitt performed the valuation of the Plan as at September 30, 2011 and extrapolated the valuation to March 31, 2013. In the preparation of these financial statements, SLGA used the extrapolated valuation to December 31, 2012. The accrued benefit obligation is based on a number of assumptions about future events including: discount rate, rate of salary increases, mortality, retirement rates, and inflation. The following significant assumptions were adopted in measuring the accrued benefit obligation:

	2013	2012
Expected long-term rate of return on plan assets	5.75%	6.00%
Discount Rate	3.70%	4.10%
Salary increases	3.50%	3.50%
Indexing increases to pensions as % of Consumer Price Index	70%	70%
Expected average remaining service life	0 years	0.2 years

SLGA's pension costs are included in salary, wages, and benefits on Schedule 1.

	2013 (000's)	2012 (000's)
Current service cost – defined benefit plan	$ 35	$ 124
Current service cost – defined contribution plan	2,962	2,824
Interest cost	2,209	2,278
Expected return on pension plan assets	(567)	(614)
Recognition of actuarial losses	4,410	7,825
	$ 9,049	$ 12,437

Information about SLGA's defined benefit plan is as follows:

	2013 (000's)	2012 (000's)
Accrued benefit obligation		
Accrued benefit obligation, beginning of year	$ 61,723	$ 57,434
Current service cost – employer	35	124
Current service cost – employee	8	30
Interest cost	2,209	2,278
Benefits paid	(4,130)	(4,030)
Experience (gain) loss	4,496	6,982
	$ 64,341	$ 62,818
Plan Assets		
Fair value of plan assets, beginning of year	$ 10,209	$ 10,033
Actual return on plan assets	653	(229)
Employer contributions	3,430	4,405
Employee contributions	8	30
Benefits paid	(4,130)	(4,030)
Fair value of plan assets, end of year	$ 10,170	$ 10,209
Funded status	$ 54,171	$ 52,609
Additional Expense Realized	---	(1,280)
Accrued pension liability	$ 54,171	$ 51,329

The 2012 closing accrued benefit obligation does not agree to the 2013 opening accrued benefit obligation. The difference was a result of SLGA management preparing the 2013 financial statements using the Liquor Board Superannuation Plan's December 2012 financial statements and comparative numbers. The 2012 closing accrued benefit obligation was calculated using an actuarial valuation as at March 31, 2012.

The plan holds all of its assets in various pooled funds. The Plan's holdings consist of 22.8% (2012 – 20.7%) in a Canadian equity pooled fund, 29.5% (2012 – 29.1%) in foreign equity pooled funds, 41.4% (2012 – 41.9%) in a bond and debenture pooled fund and 6.3% (2012 – 8.3%) in a money market pooled fund.

The forecast of net cash outflows (cash outflows net of cash inflows) for the Plan have been determined using the long-term assumptions noted above and are described below. The cash inflow is the amount of contributions received by the defined benefit plan and the cash outflow is the amount required to pay all pension obligations. The net cash outflows include a 5.75% (2012 – 6.00%) assumed rate of return on investments and employer contributions calculated as 80.4% of total benefit payments.

	Net Cash Outflow (000's)
Next 5 years	$ 1,650
Next 10 years	$ 3,123
Next 30 years	$ 8,517

12. Casino Operating Agreement with the Saskatchewan Indian Gaming Authority

Effective June 11, 2007 the Province and the Federation of Saskatchewan Indian Nations (FSIN) agreed to amend the 2002 Framework Agreement for the purpose of increasing economic and employment opportunities for Aboriginal peoples through casino development within the parameters of the *Criminal Code of Canada*. This amendment also permitted SIGA to retain $5 million annually from slot machine operations as a capital reserve for the sole purpose of acquiring capital assets. This $5 million is a receivable due from SIGA and is included in slot machine receivable disclosed in Note 9.

The 2002 Framework Agreement has a term of 25 years. Similar to its predecessor, the 1995 Framework Agreement, the 2002 Framework Agreement requires the Province to retain a portion of the net profits from slot machines in the GRF and distribute the remaining profits to the First Nations Trust, and the Community Development Corporations.

To implement the Framework Agreement, SLGA and SIGA made agreements for casino operations and slot machine management. The Casino Operating Agreement requires SIGA to pay the net profits from slot machines to SLGA. This agreement also ensures SLGA recovers the cost of slot machines, the related computer system, and interest over five years.

Also under the Agreement, SIGA has granted a first charge security interest on all its present and after acquired assets to SLGA to secure contractual obligations of SIGA under the Agreement. However, the Agreement requires SLGA, upon joint written request by SIGA and its lenders, to postpone such security in favour of the lenders who require a prior charge relating to funds lent to SIGA for the financing of its operations carried out in accordance with the Agreement. As of March 31, 2013, SIGA owes $58,283 thousand under a $79,000 thousand long-term financing agreement with a financial institution (Bank) (Note 13). SLGA has postponed its security in regards to this financing agreement.

In order to manage its interest rate exposure, SIGA entered into separate interest rate swap arrangements for its long-term debt related to the Dakota Dunes, Living Sky and Painted Hand construction projects. The interest rate swaps came into effect on April 1, 2008, April 1, 2009, and March 22, 2013. These swap arrangements fixed the interest rates at 2.08% to 5.09% for the duration of the long-term debt (March 2023 and August 2024).

Under the Casino Operating Agreement between SIGA and SLGA, SIGA is permitted to charge its losses from table games and ancillary operations as an expense of slot machine operations. As well, the Casino Operating Agreement requires SIGA to pay to the Indigenous Gaming Regulators Inc. (IGR) funds equal to IGR's operating budget upon direction from SLGA.

Effective for the year ended March 31, 2008 and subsequent years, the Casino Operating Agreement between SIGA and SLGA has been amended to exclude unrealized gains and losses on the interest rate swaps initiated on December 12, 2007, from the calculation of net Casino profits payable to SLGA. These unrealized gains and losses are netted against the slot machines receivable due from SIGA disclosed in Note 9. As of March 31, 2013, the accumulated unrealized loss reducing the slot machines receivable was $7,319 thousand (2012 – $7,637 thousand).

In addition, under an agreement with Saskatoon Prairieland Park Corporation (SPPC), SIGA is required to pay SPPC compensation for the closure of its casino (Note 13).

During the year, SIGA charged losses as an expense of slot machine operations, and paid IGR and SPPC as follows:

	2013 (000's)	2012 (000's)
Table games revenues	$ 10,027	$ 10,638
Table games expenses	13,048	13,670
Net losses from table games	$ 3,021	$ 3,032
Ancillary operations revenues	$ 15,036	$ 17,044
Ancillary operations expenses	25,052	24,545
Net losses from ancillary operations	$ 10,016	$ 7,501
Total losses expensed	13,037	10,533
IGR payment	3,232	3,232
SPPC payment	2,600	2,600
	$ 18,869	$ 16,365

13. Commitments

SLGA

Leases: SLGA, as lessee, is committed to pay under operating leases on leased premises the following minimum amounts in future years:

Year Ending March 31	(000's)
Less than one year	$ 4,127
Between one and five years	4,802
More than five years	147
Total	$ 9,076

SIGA Leases, Casino and Debt

Under the Casino Operating Agreement, SLGA allows SIGA to recover its costs for approved casino operating expenses, contractual obligations, and commitments from SLGA's slot machine revenues. SIGA's contractual obligations and commitments are as follows:

Operating Leases: SIGA has obligations under casino operating leases for buildings, equipment and vehicles. SIGA has also previously committed to providing sponsorship funding to various agencies. The minimum lease payments over the next five years are as follows:

Year Ending March 31	(000's)
Less than one year	$ 5,512
Between one and five years	17,883
More than five years	3,851
	$ 27,246

The above commitments include amounts committed to parties related to SIGA totalling $21,961 thousand for years 2014 through 2018 and $3,836 thousand for the years beyond 2018.

Finance Leases: SIGA has entered into finance lease agreements for the Dakota Dunes, Living Sky and Painted Hand Casinos with related parties. The minimum lease payments under these finance lease obligations are as follows:

Year Ending March 31	(000's)
Less than one year	$ 6,532
Between one and five years	26,126
More than 5 years	61,728
Total	$ 94,386

Due to the related party nature of the capital lease obligation, fair value information has not been disclosed as fair value cannot be reliably measured.

Long-term debt: In 2007, SIGA made a long-term financing agreement with the Bank for $79,000 thousand to finance the new casino projects. As of March 31, 2013, SIGA owes $58,283 thousand (2012 - $63,284 thousand) under this agreement at interest rates varying from 4.94% to 5.09%. SIGA's principal repayments are as follows:

Year Ending March 31	(000's)
2014	$ 58,283

Other: The Casino Operating Agreement requires SIGA to transfer to IGR funds to support IGR's annual operating budget. For 2014, the budgeted transfers are $2,900 thousand (2013 - $3,232 thousand).

As well, under an agreement with SPPC and effective August 10, 2007, SIGA began paying SPPC $2,600 thousand annually, subject to certain conditions, for 30 years payable in monthly installments of $217 thousand. In 2013, SIGA paid $2,600 thousand (2012 - $2,600 thousand) to SPPC, which is recorded as part of the SIGA other operating expenses.

14. Liquor Sales

	2013 (000's)	2012 (000's)
Wines, coolers and spirits		
In stores:		
-To permittees	$ 67,663	$ 62,668
-To public	220,223	208,283
	287,886	270,951
To franchisees:		
-To permittees	6,998	5,805
-To public	29,378	28,969
	36,376	34,774
	324,262	305,725
Beer		
-To permittees	139,639	139,345
-In stores	115,747	114,556
-To franchisees	12,682	12,218
	268,068	266,119
Total	$ 592,330	$ 571,844

15. 2013 Budget

These amounts represent the budget approved by Treasury Board.

16. Segmented Information

SLGA operates in four segments – liquor, VLT, slots in SIGA casinos, and other gaming.

The liquor segment reflects the retailing and licensing of beverage alcohol activities within the province.

The VLT segment reflects the operation of the VLT program under the authority of Section 207 of the *Criminal Code of Canada* and *The Alcohol and Gaming Regulation Act, 1997*.

The slots in SIGA casinos segment reflect the operations of SLGA's slot machines in SIGA casinos (see Note 12).

The Other Gaming segment reflects the licensing and support of charitable and religious organizations that conduct and manage bingos, casinos, raffles, and breakopen ticket sales and the regulation and support of the horse racing industry. The Other Gaming segment also includes the breakopen vending machine program.

The breakopen vending machine operations consist of vending machines capable of dispensing lottery tickets that may have a stipulated prize hidden under a paper covering. On behalf of SLGA, tickets for the breakopen vending machine (breakopen) operation are distributed by Pollard Banknote Limited Partnership. The breakopen operation had revenues net of prizes of $282 thousand (2012 - $407 thousand) and expenses (including operating expenses, Goods and Services Tax, and distributions to charities) of $240 thousand (2012 - $345 thousand) for the year. Included in Other Gaming segment is a $42 thousand net income (2012 - $63 thousand net income) relating to the breakopen operation.

Key amounts by segment as follows:

	SEGMENTS					
	2013 (000's)					2012 (000's)
	LIQUOR	VLT	SLOTS IN SIGA CASINOS	OTHER GAMING	TOTAL	TOTAL
Revenues	$ 592,330	223,186	241,514	---	1,057,030	$ 1,036,743
Other Income	2,913	117	---	374	3,404	3,521
Total Revenues	595,243	223,303	241,514	374	1,060,434	1,040,264
Direct Expenses	291,192	33,854	---	---	325,046	316,782
Operating Expenses (Schedule 2)	71,836	11,081	155,058	19,323	257,298	257,491
Total Expenses	363,028	44,935	155,058	19,323	582,344	574,273
Subtotal	232,215	178,368	86,456	(18,949)	478,090	465,991
Unrealized gain on Interest rate swaps (Note 21)	---	---	318	---	318	(2,489)
Net income (loss)	232,215	178,368	86,774	(18,949)	478,408	463,502
Retained earnings (deficit) beginning of year	---	---	(7,637)	---	(7,637)	(5,222)
Transfer to General Revenue Fund	232,215	178,368	86,456	(18,949)	478,090	465,917
Retained earnings (deficit) end of year	$ ---	---	(7,319)	---	(7,319)	$ (7,637)
Property, plant and equipment	$ 23,546	83,232	19,475	298	126,551	$ 34,261
Property, plant and equipment purchases	$ 7,875	84,129	11,352	---	103,356	$ 8,300
Amortization	$ 2,869	1,702	6,213	618	11,402	$ 13,436

17. Related Parties

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to SLGA by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as related parties).

Government-related entities are exempt from providing disclosure about individual related party transactions, other than the transactions with key management personnel disclosed below. Instead, government-related entities are required to disclose the types and extent of individually or collectively significant transactions with related parties. In determining individually significant transactions, SLGA considers the size, type and terms of the transaction.

SLGA also pays Saskatchewan provincial sales tax on all its taxable purchases to the Saskatchewan Ministry of Finance, in 2013 SLGA paid $880 thousand (2012 - $132 thousand). Taxes paid are recorded as part of the cost of those purchases. SLGA also collects liquor consumption tax from customers and remits to the Saskatchewan Ministry of Finance, in 2013 SLGA paid $32,107 thousand (2012 - $33,254 thousand). All other transactions with related parties are routine operating transactions that are settled at prevailing market prices under normal trade terms.

SLGA's Key Management Personnel Compensation

Key management personnel include the president and vice presidents. The compensation paid (including benefits) to key management for employee services is shown below:

	2013 (000's)	2012 (000's)
Salaries and short-term employee benefits	$ 1,205	$ 1,166
Post-employment benefits	146	128
	$ 1,351	$ 1,294

18. Contingencies

	2013 (000's)	2012 (000's)
Court proceedings (i)	$ 5,000	$ 5,710

(i) As part of ongoing operations SLGA faces legal actions initiated by third parties and contract disputes. At year-end there were actions outstanding against SLGA, which the likelihood of loss is unlikely. Settlements arising from the resolution of these actions will be accounted for in the year in which the settlements occur.

19. Provisions

	Long-term Employee Benefits (000's)	Short-term Employee Benefits (000's)	Total (000's)
Balance, April 1, 2011	$ 1,800	$ 1,075	$ 2,875
Provisions made during the period	---	1,075	1,075
Provisions used during the period	(110)	(1,075)	(1,185)
Balance, March 31, 2012	$ 1,690	$ 1,075	$ 2,765
Provisions made during the period	---	2,133	2,133
Provisions used during the period	(1,690)	(1,075)	(2,765)
Balance, March 31, 2013	$ ---	$ 2,133	$ 2,133

Short-term Employee Benefits

The provision for short-term employee benefits represents part-time pension benefits, annual sick leave and long service gratuity entitlements. SLGA recognized a liability of $1,058 (2012 - $1,690) thousand in respect of the part-time pension benefit claims outstanding against SLGA, but not paid out as of March 31, 2013. SLGA expects to settle claims in 2013-14.

20. Western Canada Lottery Corporation

The Saskatchewan Video Lottery Division (Division) of the Western Canada Lottery Corporation (WCLC) operates the video lottery terminals and central computer system on behalf of SLGA. WCLC provides accounting, purchasing, cash disbursements, human resources and technical services for the VLT program. WCLC also operates and generally maintains the slot machines and related computer system at the SIGA casinos for SLGA and the breakopen vending machines on behalf of SLGA. For the year ended March 31, 2013, WCLC charged SLGA $16,956 thousand (2012 - $13,161 thousand) to operate the VLT, slot machine program and the breakopen vending machines for the year which is included in professional and contractual services on Schedule 1.

WCLC sponsors a defined benefit retirement plan for the employees of the Division. The current service cost of the retirement plan is included in the amount paid to WCLC. During the year, SLGA paid WCLC and expensed a total of $778 thousand (2012 - $686 thousand) which is included in professional and contractual services on Schedule 1.

As of March 31, 2013, the retirement plan is in a deficit status of $4,170 thousand (2012 - $2,547 thousand deficit status).

21. Financial Risks

Fair Value

Fair values approximate amounts at which financial instruments could be exchanged between willing parties based on current markets for instruments with similar characteristics such as risk and remaining maturities. Fair value measurements are subjective in nature, and represent point-in-time estimates which may not reflect fair value in the future.

The methods and assumptions used to develop fair value measurements have been prioritized into three levels as per the fair value hierarchy included in IFRS. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs other than quoted prices included in Level one that are observable for the asset or liability. Level three includes inputs that are not based on observable market data.

The following table presents the carrying amount and fair value of SLGA's financial instruments. The table also identifies the financial instrument category and fair value hierarchy.

(in 000's)

Financial Instruments	Classification[1]	Fair Value Hierarchy	2013 Carrying Amount	2013 Fair Value	2012 Carrying Amount	2012 Fair Value
Cash	FVTPL	Level One	$ 1,890	$ 1,890	$ 1,897	$ 1,897
Due from General Revenue Fund	FVTPL	Level One	122,039	122,039	41,176	41,176
Trade and other receivables	L&R	N/A	61,096	61,096	62,515	62,515
Trade and other payables	OFL	N/A	67,914	67,914	23,856	23,856
Short-term debt	OFL	N/A				
Payable to General Revenue Fund	OFL	N/A	95,809	95,809	95,813	95,813
GST Payable	OFL	N/A	1,883	1,883	1,735	1,735

[1]Classification:
FVTPL – Fair value through profit and loss, L&R - Loans and receivables, OFL - Other financial liabilities.

SLGA is exposed to a number of financial risks in the normal course of operations. SLGA's risks have not changed during the year, except interest rate risk related to short-term debt.

Credit and Interest Rate Risk

Interest rate risk is the risk of financial loss resulting from changes in market interest rates. SLGA is exposed to interest rate risk on its short term debt and may be exposed to interest rate risk on future short-term and long-term borrowings. At year end, SLGA had $125,064 thousand of short-term debt. Based on this amount, a one per cent change in interest rates would increase or decrease the annual finance expense by approximately $58 thousand (2012 – nil).

SLGA is exposed to minimal credit risks from the potential non-payment of accounts receivable as most receivables are either short-term and are collected shortly after year end or are from SIGA. SLGA exerts significant influence over SIGA's operations and SIGA remits the amount owing to SLGA in accordance with the Casino Operating Agreement described in Note 12. The VLT receivable is collected shortly after March 31 in accordance with the agreement for services between SLGA and WCLC as described in Note 20.

The maximum credit risk from these financial instruments is limited to the carrying value of the financial assets summarized below:

	2013 (000's)	2012 (000's)
Cash	$ 1,890	$ 1,897
Due from General Revenue Fund	122,039	41,176
Accounts Receivable	61,096	62,515
	$ 185,025	$ 105,588

As described in Note 3(m), SLGA is exposed to SIGA's credit and interest rate risks. SIGA's financial risks arise mainly from its bank financing ($58,283 thousand – March 31, 2013; $63,284 thousand – March 31, 2012) and its interest rate swap arrangements which are partially offset by changes in interest rates on its variable borrowings. At March 31, 2013, if interest rates at that date had changed 100 basis points, with all other variables held constant, SLGA's net income would have changed $2,384 thousand.

As of March 31, 2013, there was no impairment required on any of the financial assets of SLGA and SIGA.

SLGA has evaluated the interest rate risk as low and has done nothing to mitigate the risk.

Foreign Currency Exchange Risk

SLGA is exposed to foreign exchange risk due to purchase transactions for liquor and electronic gaming machines. As of March 31, 2013, SLGA had $149 thousand (2012 - $236 thousand) in United States (U.S.) financial liabilities. SLGA is also exposed to foreign exchange risks resulting from a U.S. dollar denominated cash deposit account. This U.S. dollar denominated cash deposit account is included in SLGA's Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. As of March 31, 2013, SLGA has $1,533 thousand (2012 – $839 thousand) in this account.

In 2013, SLGA recorded a $6 thousand loss (2012 - $8 thousand loss) due to the variation in the foreign exchange rates.

To date, SLGA has not entered into financial derivative contracts to manage exposure to fluctuations in foreign exchange rates.

Liquidity Risk

Liquidity risk is the risk that SLGA will not be able to meet its financial obligations as they fall due. The majority of SLGA operational activity involves cash sales and short-term accounts receivable. SLGA relies on funds generated from its operations and short-term debt to meet operating requirements and to finance capital investment.

Contractual cash flows - 2013
(In 000's)

FINANCIAL LIABILITIES	Carrying amount	Total	0 - 6 months	7 - 12 months	1 - 2 years	3 - 5 years	Greater than 5 years
Trade and other payables	$ 67,914	$ 67,914	67,914	-	-	-	-
Payable to the GRF	95,809	95,809	95,809	-	-	-	-
GST Payable	1,883	1,883	1,883	-	-	-	-
Provisions	2,133	2,133	2,133	-	-	-	-
Short-Term debt	125,064	125,064	125,064	-	-	-	-
Post Employment Benefits	54,171	54,171	1,535	1,535	3,070	9,210	38,821
	$ 346,974	$ 346,974	$ 294,338	$ 1,535	$ 3,070	$ 9,210	$ 38,821

Contractual cash flows - 2012
(In 000's)

FINANCIAL LIABILITIES	Carrying amount	Total	0 - 6 months	7 - 12 months	1 - 2 years	3 - 5 years	Greater than 5 years
Trade and other payables	$ 23,856	$ 23,856	23,856	---	---	---	---
Payable to the GRF	95,813	95,813	95,813	---	---	---	---
GST Payable	1,735	1,735	1,735	---	---	---	---
Provisions	2,765	2,765	1,075	---	1,690	---	---
Post Employment Benefits	51,329	51,329	2,190	2,190	4,380	8,760	33,809
	$ 175,498	$ 175,498	$ 124,669	$ 2,190	$ 6,070	$ 8,760	$ 33,809

22. Capital

SLGA's capital structure consists of current payables and post employment benefits, short term financing, cash and cash equivalents, and retained earnings. Treasury Board determines the disposition of SLGA's retained earnings (Note 5). SLGA management's objectives to manage its capital are to use capital to provide an appropriate return on investment to the Government of Saskatchewan and to preserve financial flexibility in order to maintain SLGA's ability to meet financial obligations.

SLGA finances its capital requirements through internal operating activities and funds obtained by borrowing from the Government of Saskatchewan General Revenue Fund (GRF). SLGA borrows all of its capital from the Province of Saskatchewan. At the end of the year, SLGA had $125,064 thousand of short term debt through a line of credit (Note 24).

SLGA does not set a target rate of return on capital for managing its operations but rather promotes year-over-year sustainable profitable growth. SLGA is not subject to any externally imposed capital requirements.

No borrowing costs associated with the line of credit from the GRF were capitalized during the year.

23. Funds held in Trust

SLGA holds funds in trust on behalf of employees as part of SLGA's extended health care plan. At March 31, 2013, SLGA held $361 thousand (2012 - $513 thousand) on behalf of in-scope employees.

24. Short-term Debt

SLGA's short-term debt is unsecured. At year end, short-term debt of $125,064 thousand was due to the Province of Saskatchewan's GRF with an interest rate of 1.02 per cent. Interest charges on this short-term debt of $64 thousand for 2013 are included in service charges and interest expenses. SLGA's short-term debt has a maturity date of June 28, 2013. SLGA intends to convert its short-term debt to long-term debt prior the maturity date.

Schedule 1

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY
SCHEDULE OF OPERATING EXPENSES
For the Year Ended March 31

	VLT, Liquor & Other Gaming		Slots in SIGA Casinos*		Total	
	2013 (000's)	2012 (000's)	2013 (000's)	2012 (000's)	2013 (000's)	2012 (000's)
Salaries, wages and benefits	$ 54,924	$ 58,899	$ 53,071	$ 50,242	$ 107,995	$ 109,141
Advertising, printing and promotion	42	57	25,020	25,588	25,062	25,645
Operations and maintenance	1,648	1,405	19,060	23,756	20,708	25,161
Rent, utilities and insurance	7,569	6,606	9,812	8,486	17,381	15,092
Professional and contractual services	11,742	9,653	3,406	4,488	15,148	14,141
Depreciation	5,189	4,036	6,213	9,400	11,402	13,436
Grants (Note 3(l))	9,995	9,019	---	---	9,995	9,019
Service charges and interest	449	400	9,048	9,287	9,497	9,687
Goods and Services Tax	2,050	2,177	4,027	3,958	6,077	6,135
Debit/Credit charges	3,760	3,490	---	---	3,760	3,490
Sundry	466	418	2,122	1,861	2,588	2,279
Communications	542	509	2,001	1,428	2,543	1,937
Travel and business	983	825	989	642	1,972	1,467
Stationery and supplies	935	951	1,000	759	1,935	1,710
Information Technology	1,642	1,953	---	---	1,642	1,953
Honoraria and related expenses	64	89	420	573	484	662
Customer service programs	240	171	---	---	240	171
Indigenous Gaming Regulators (Note 12)	---	---	3,232	3,232	3,232	3,232
Saskatoon Prairieland Park Corporation (Note 12)	---	---	2,600	2,600	2,600	2,600
SIGA table and ancillary operation losses (Note 12)	---	---	13,037	10,533	13,037	10,533
	$ 102,240	$ 100,658	$ 155,058	$ 156,833	$ 257,298	$ 257,491

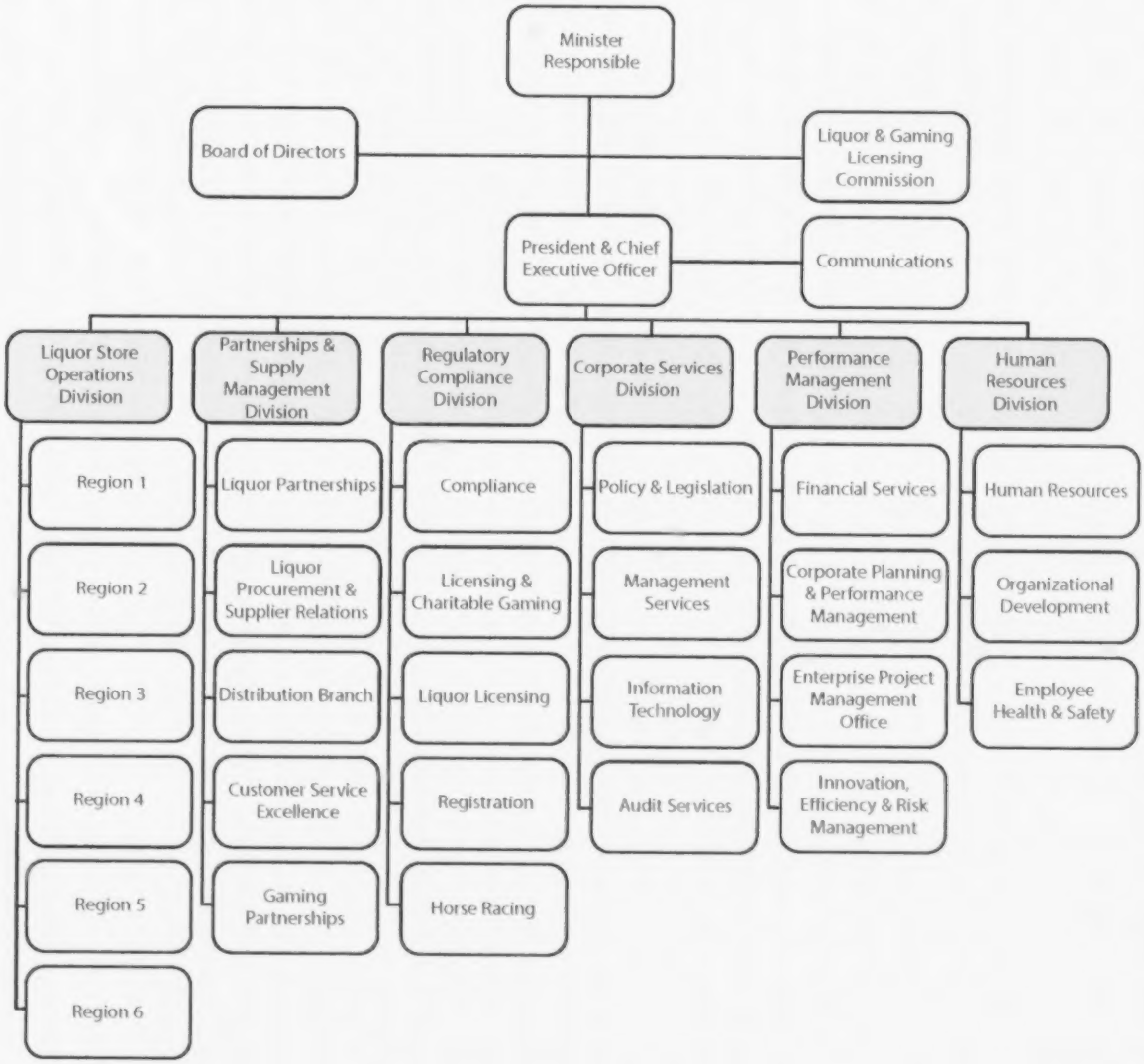
*Represents operating costs of SIGA Casinos.

Schedule 2

SASKATCHEWAN LIQUOR AND GAMING AUTHORITY
SCHEDULE OF SEGMENTED EXPENSES
For the Year Ended March 31

	Liquor		Other Gaming		VLT		Total	
	2013 (000's)	2012 (000's)	2013 (000's)	2012 (000's)	2013 (000's)	2012 (000's)	2013 (000's)	2012 (000's)
Salaries, wages and benefits	$ 47,533	$ 51,447	$ 7,391	$ 7,452	$ ---	$ ---	$ 54,924	$ 58,899
Professional and contractual services	3,098	2,126	1,046	914	7,598	6,613	11,742	9,653
Grants (Note 3(l))	1,155	1,079	8,840	7,940	---	---	9,995	9,019
Rent, utilities and insurance	7,340	6,408	229	198	---	---	7,569	6,606
Depreciation	2,869	3,251	618	415	1,702	370	5,189	4,036
Debit/Credit charges	3,758	3,487	2	3	---	---	3,760	3,490
Goods and Services Tax	---	---	269	360	1,781	1,817	2,050	2,177
Operations and maintenance	1,600	1,359	48	46	---	---	1,648	1,405
Information Technology	1,346	1,630	296	323	---	---	1,642	1,953
Travel and business	730	576	253	249	---	---	983	825
Stationery and supplies	880	895	55	56	---	---	935	951
Communications	422	402	120	107	---	---	542	509
Sundry	431	382	35	36	---	---	466	418
Service charges and interest	364	312	85	88	---	---	449	400
Customer service programs	240	171	---	---	---	---	240	171
Honoraria and related expenses	33	46	31	43	---	---	64	89
Advertising, printing and promotion	37	52	5	5	---	---	42	57
	$ 71,836	$ 73,623	$ 19,323	$ 18,235	$ 11,081	$ 8,800	$ 102,240	$ 100,658

Appendix A
SLGA Organizational Chart



Appendix B
Summary of SLGA's Partners and Stakeholders

Bingo Charity Associations. A Bingo Charity Association is a Class A licensee who coordinates bingo and charitable gaming events on behalf of all licensed charities conducting charitable gaming in its licensed facility.

Brewers Association of Canada. Represents the multi-national brewers as well as several regional breweries. www.brewers.ca

Canadian Centre on Substance Abuse (CCSA). The CCSA is Canada's national addictions agency. Its mission is to provide objective, evidence-based information and advice that will help reduce the health, social and economic harm associated with substance abuse and addictions. www.ccsa.ca

Canadian Partnership for Responsible Gambling (CPRG). The CPRG is a collaboration of non-profit organizations, gaming providers, research centres and regulators working to find and promote effective ways to reduce the risk of problem gambling. www.cprg.ca

Canadian Restaurant and Foodservices Association (CRFA). (Saskatchewan Division). The CRFA has approximately 600 members in Saskatchewan including both liquor permitted and non-liquor permitted establishments. www.crfa.ca

Canadian Vintners Association. This is a national association dedicated to the promotion and well being of Canada's wine sector. www.canadianvintners.com

Charities. Charities are eligible for licensing to raise funds to support their charitable gaming activities through bingo, raffle, breakopen, Texas Hold'em poker and Monte Carlo events. Non-profit groups are also eligible for licensing for raffles with prizes of less than $500.

Federation of Saskatchewan Indian Nations (FSIN). The FSIN represents 74 of Saskatchewan's First Nations. SLGA works with the FSIN in implementing the terms of the Gaming Framework Agreement. www.fsin.com

Indigenous Gaming Regulators (IGR). IGR licenses and regulates table games at SIGA casinos and on-reserve charitable gaming activities of those First Nations that have designated IGR as their regulator. www.igr.ca

Mothers Against Drunk Driving (MADD) Canada. MADD Canada is a charitable organization that is committed to stopping impaired driving through the promotion of public policy and legislative measures and through public awareness campaigns and educational programs. In addition, MADD provides support and resources to the victims of impaired-driving. www.madd.ca

Non-Profit Clubs. Consists of ethnic associations, service clubs, veteran organizations and sporting clubs (including golf and curling) that have a permanent facility/clubhouse and a special use permit (as opposed to groups who use special occasion permits and may or may not have a permanent location).

Responsible Gambling Council (RGC). The RGC is a non-profit organization that works with individuals and communities to address gambling in a healthy and responsible way. The Council undertakes research and public awareness programs designed to prevent gambling-related problems. www.responsiblegambling.org

Saskatchewan Government and General Employees Union (SGEU). Eighty-nine per cent of SLGA employees are unionized and represented by SGEU. www.sgeu.org

Saskatchewan Hotel and Hospitality Association (SHHA). SHHA represents both hotel owners and operators in urban areas and rural communities. www.hotelsofsask.com

Saskatchewan Indian Gaming Authority (SIGA). SIGA operates the province's six First Nations casinos on behalf of the FSIN. www.siga.sk.ca

Saskatchewan Liquor Vendors Association (SLVA). SLVA represents all of the rural liquor franchises. Franchises are authorized by SLGA to sell beverage alcohol in rural communities across the province. www.saskliquorvendors.ca

Saskatchewan Partnership for Responsible Gambling (SPRG). The SPRG is a partnership of provincial organizations working to support and foster a culture of responsible use of gaming products and services among providers and consumers. Members include representatives from the Community Initiatives Fund; First Nations Addiction Rehabilitation Foundation; Ministry of Health; Ministry of Parks, Culture and Sport; SaskGaming; Saskatchewan Indian Gaming Authority; Saskatchewan Liquor and Gaming Authority; Saskatchewan Lotteries and Western Canada Lottery Corporation.

Saskatchewan Tourism and Education Council (STEC). STEC delivers online courses including Responsible Gaming for VLT Site Operators as well as the *Serve it Right Saskatchewan* program (SIRS). SIRS helps operators and servers of liquor permitted establishments understand their duty of care and promotes responsible use, while maintaining or enhancing profits. STEC also offers the *Door Staff Workshop*. This program trains door staff in liquor permitted establishments to identify signs of intoxication, monitor the activities of patrons and reduce the risk of violence in and around permitted premises. www.stec.com

Saskatchewan Wine and Spirits Association (SWSA). SWSA is a provincial association dedicated to the promotion of wine and spirits within the provincial liquor industry.

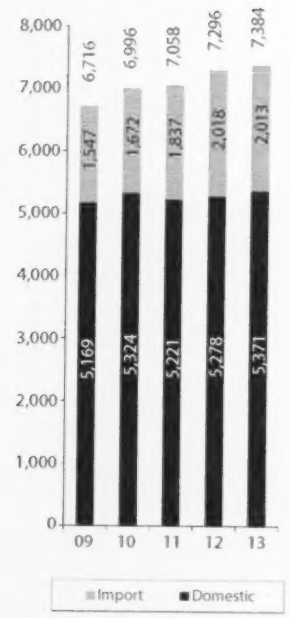
Spirits Canada. Spirits Canada, also known as the Association of Canadian Distillers, is the national trade association of Canadian manufacturers and marketers of distilled spirit products including Canadian whisky, rum, vodka, gin, liqueurs and coolers. www.acd.ca

Students Against Drinking and Driving (SADD) Saskatchewan. SADD is a charitable organization that strives to save lives and prevent injuries caused by drinking and driving. SADD works to achieve this goal through education and public awareness and by influencing legislation and public policy in areas related to drinking and driving. www.saddsask.ca

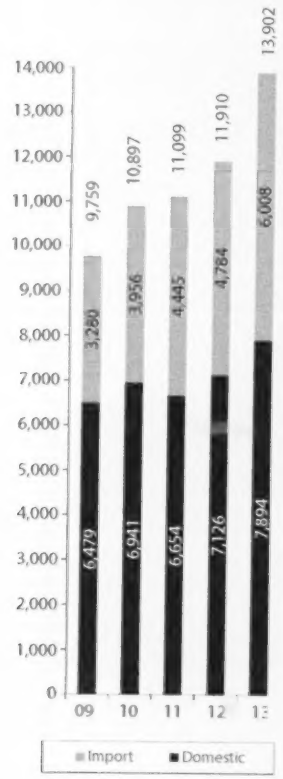
Western Canada Lottery Corporation (WCLC). WCLC is a non-profit organization authorized to operate lottery and gaming-related activities as agent for SLGA. www.wclc.com

Appendix C
Volume of Sales – Five Year History
Financial Years Ending March 31

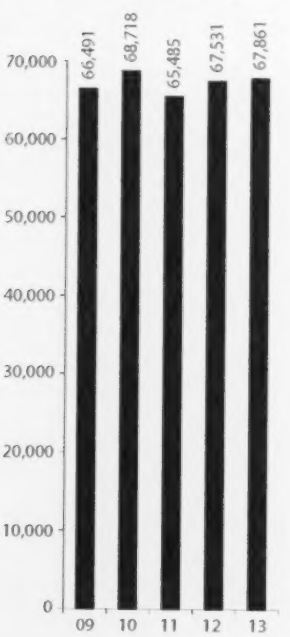
Spirits (000s of litres)



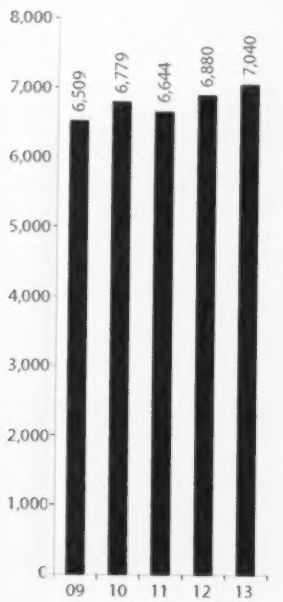
Wine and Coolers (000s of litres)



Beer (000s of litres)



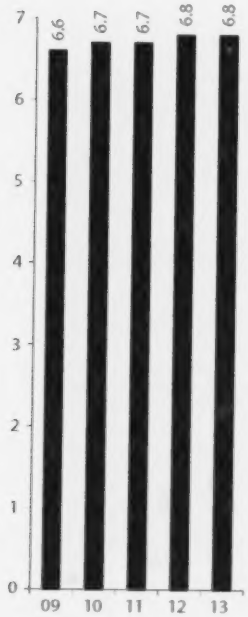
Absolute Alcohol (000s of litres)



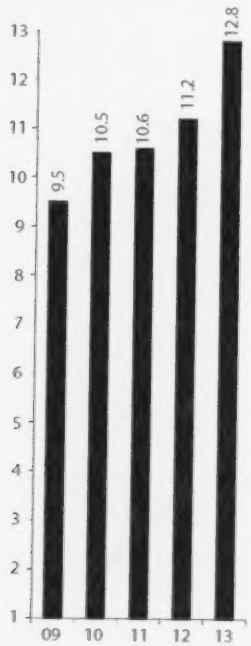
Appendix D

Per Capita Sales – Five Year History
Financial Years Ending March 31

Spirits (litres)

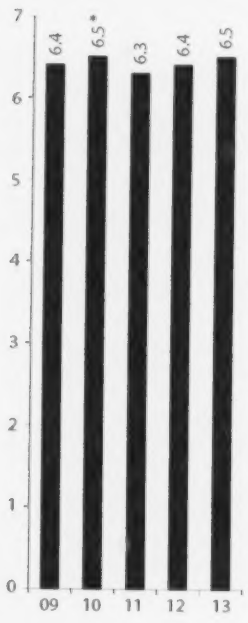


Wine and Coolers (litres)



Beer (litres)

Absolute Alcohol (litres)



*SLGA has restated the 2009-10 figure.

Population Source: Saskatchewan Bureau of Statistics - Saskatchewan Quarterly Population as of January 1.

Appendix E
Saskatchewan Liquor and Gaming Licensing Commission

The Saskatchewan Liquor and Gaming Licensing Commission (Commission) is an independent body which reviews:

- decisions of the Saskatchewan Liquor and Gaming Authority (SLGA) with respect to liquor and gaming licensing, registration and cancellation/suspension matters within SLGA's jurisdiction, including its jurisdiction over SaskGaming and Saskatchewan Indian Gaming Authority (SIGA) casinos, horse racing, off-reserve bingo and liquor permittees;
- decisions of casino operators (SIGA and SaskGaming) respecting involuntary casino bans of patrons from their respective casinos; and,
- decisions of the Indigenous Gaming Regulators (IGR) respecting on-reserve charitable gaming licensing within IGR's jurisdiction.

The Commission's role is to serve as an independent and fair quasi-judicial review body with a mandate to ensure proper application of the legislation and regulations governing the liquor, gaming and horse racing industries over which it has jurisdiction, while ensuring the fairness and integrity of those industries. Any licensed party who disagrees with a decision of SLGA or IGR that is within the Commission's jurisdiction and any individual who has been involuntarily banned from a casino by SaskGaming or SIGA has the right to apply to the Commission for a review. In most circumstances, the Commission stays the decision in issue pending the outcome of the Commission's review.

During 2012-13, the Commission scheduled and held 22 hearings to address the same number of requests for review of various decisions made by SLGA, SaskGaming and SIGA. In order to accommodate the public, hearings are scheduled whenever possible at the nearest major centre in the province to the cause of action. Eleven hearings were held in each of Regina and Saskatoon.

Applications included reviews of SLGA's decisions to impose monetary penalties on liquor permittees or suspend liquor permits, involuntary casino bans handed down by SaskGaming and SIGA, and suspensions and denials of licences relating to issues in contravention of the Rules of Racing in the horse racing industry. As well, the Commission reviews objections by the public to the granting of permits. The Commission may decline to hear objections to liquor applications that are competition-based, frivolous or vexatious. During 2012-13, there were no objection hearings held.

Of the 22 hearings held during 2012-13, seven were liquor-related, comprised of assessments of penalties and suspensions; one hearing was gaming-related; 11 hearings were in regard to casino admission bans, four of those sanctions being enforced by SaskGaming and seven sanctions by SIGA; and there were three hearings held with respect to horse racing, involving violations of the horse racing rules.

The Commission provides written reasons for its review on the merits of all matters it hears. These written decisions are a matter of public record and are maintained in the office of the Commission Registrar. The Commission members as of March 31, 2013:

Elaine R. Morgan, Chairperson, Gainsborough
Rod Sexsmith, Vice-Chairperson, Prince Albert
Sid Katzman, Secretary, Saskatoon
Theodore (Ted) Gleim, Member, Eastend
Murray Coulter, Member, Arborfield
Lawrence Skoretz, Member, Ituna

The Commission also has a part-time Registrar. Since 1997, the Commission has initiated procedural changes and is constantly reviewing its own policies to continue to ensure equitable treatment of all parties appearing before it. The Commission also makes written recommendations to SLGA regarding any significant regulatory issues that come to its attention through contact with the industries within its jurisdiction. It also continues to stay up to date in the changing environment of administrative law and the industries it regulates through its own research.

Appendix F

SLGA Fact Sheet: 2012-13 Results at a Glance

Financial	
SLGA net income	$478.4 M
SIGA net income	$86.8 M
Total liquor sales	$592.3 M
Liquor net income	$232.2 M
VLT net income	$178.4 M
VLT site commission	$33.9 M
Franchise commission	$8.0 M
Off-sale permittee beer discount	$12.2 M
Structure and Organization	
Number of SLGA employees	996
Number of retail liquor stores	79
Number of communities with SLGA stores	64
Number of off-sale outlets	445
Number of rural liquor franchises	185
Number of private wine stores	1
Total number of liquor outlets	710
Number of products listed by SLGA	2,438
Number of casinos	8
Number of slot machines in SIGA casinos	1,870
Number of slot machines in SaskGaming casinos	1,057
Number of VLTs	3,929
Number of communities with VLTs	295
Number of VLT sites	608
Compliance and Licensing	
Number of commercial liquor permittees	1,828
Number of special occasion permits issued	15,613
Number of sanctions (liquor, gaming and horse racing)	325
Number of registered gaming employees	3,383
Number of registered gaming suppliers	98
Charitable Gaming and Horse Racing	
Total number of bingo, raffle, breakopen, Texas Hold'em and Monte Carlo licences	3,709
Number of bingo halls	14
Total gross bingo sales	$18.5 M
Total gross raffle sales	$51.2 M
Total gross breakopen sales	$3.5 M
Total gross charitable gaming event sales	$42.7 M
Total gross Texas Hold'em and Monte Carlo event sales	$0.3 M
Total net proceeds to charity (bingo, raffle, breakopen, Texas Hold'em and Monte Carlo)	$26.9 M
Total grants paid to charitable gaming licensees	$6.8 M
Total provincial handle (all horse racing wagers)	$8.2 M
Total grants paid to the horse racing industry	$1.5 M
Race tracks receiving grant support from the province	4

All data as of March 31, 2013.

For More Information

If you have any questions or comments about SLGA's Annual Report, or if you have specific questions about the programs and services provided by SLGA, please contact:

Saskatchewan Liquor and Gaming Authority

P.O. Box 5054
2500 Victoria Avenue
Regina, SK, S4P 3M3
Toll free 1-800-667-7565 or (306)787-5563

www.slga.gov.sk.ca